

# The City of West University Place

*A Neighborhood City*

## **CITY COUNCIL**

Susan Sample, Mayor  
Bob Kelly, Mayor Pro Tem  
Burt Ballanfant, Councilmember  
Brennan Reilly, Councilmember  
Mardi Turner, Councilmember

## **STAFF**

M. Chris Peifer, City Manager  
Alan Petrov, City Attorney  
Thelma Gilliam, City Secretary

## **CITY COUNCIL MEETING MINUTES**

The City Council of the City of West University Place, Texas, met in regular session on **Monday, October 10, 2016**, in the Municipal Building, 3800 University, West University Place, Texas beginning at **6:30 p.m.**

Agenda Items were as follows:

**Call to Order.** Mayor Sample called the meeting to order at approximately 6:35 p.m. in the Council Chambers. Council and Staff in attendance were: Mayor Pro Tem Kelly, Councilmembers Ballanfant, Reilly and Turner, City Manager Peifer, City Secretary Gilliam, City Attorney Petrov, Public Works Director Beach, Fire Chief Taylor, IT Director McFarland, Finance Director Daugherty, and Police Chief Walker.

Boy Scout George Rentz, Troop 55, led the pledge.

City Secretary Gilliam confirmed that the notice of this meeting was duly posted in accordance with the Texas Government Code, Chapter 551.

### **1. Public Comments**

This is an opportunity for citizens to speak to Council relating to agenda and non-agenda items.

**Heidi Dugan**, 2735 Arbuckle, spoke regarding safety and said Council needs to understand that the citizens want whatever is required to bring the neighborhood back to the safety level the residents are used to. She said there has been talk about surveillance cameras at certain intersections and thinks that maybe with cameras criminals won't wander into West U unknowingly. She said whatever it takes, even paying \$5 or \$10 more a month, is worth it.

**George Sutherland**, 4102 Villanova, spoke regarding security and said he has been a resident for 15 years and has always felt safe and secure. He said there has been a rash of incidents recently and he thinks the City needs to respond to the times with close circuit television, drones or whatever. He said whatever the plan is it needs to be done quickly before the situation gets worse. He said there is an increase in the budget and he'd like to see some of those funds used to get the crime situation under control.

**George Nachtigall**, 2712 Centenary, spoke to say he has lived in the neighborhood for 30 years and he proposes that the City put police back on the main streets like long ago, because it sends

a message to people inside and outside of the community that West U is a place that takes security and law seriously. He said it is also a revenue opportunity from a standpoint of a ticket is a ticket, which could possibly help economically support any increase in officers that the City might need.

**Lori Siegel**, 2635 Cason, spoke regarding safety and said she has always felt safe in West U and Southside Place over the past 18 years. She said she and other residents want to feel safe and thinks most of the residents are willing to do whatever it takes to put them back in that state.

**Danny Droubi**, 2728 Talbott, spoke regarding safety and said he supports the police department 100 percent and said the safety issue needs to be attacked with data and the needed resources. He said it is not just a personal issue, but it could also be an economic issue because if the perception that this neighborhood is no longer safe, there's going to be a property value issue.

**Bryan Christ**, 3017 Duke, spoke to say he grew up in the "old" West U in the 70's and 80's and said it was great and very low crime, but in the last 4 years since he's been back he has noticed some differences, such as not seeing as many police driving the streets. He said if West U chooses not to make a lot of traffic stops that's fine, but when they are visible it does give an impression to the people who drive through West University. He said he knows we are in a different world today, but if there is anything the residents can do, he's sure most people will be more than willing to pay a little more or give up something else just to get some more police officers or whatever is decided needs to be done.

**Alida Drewes**, 6112 Fordham Street, spoke to say the City doesn't need extra police and that the budget is loaded with places where it can be cut, such as travel and training, professional dues, and community relations. She said tax money should be managed more properly so citizens feel safe and are not harassed.

**Amar Patel**, 4028 Ruskin, spoke to say when he moved to Houston from Florida, finding a safe neighborhood inside the loop was number one on his priority list. He said despite searching hard, his home was burglarized last year and he knows that can happen anywhere. He said the police did a fantastic job and were there right away, but he thinks the City does need to look at security cameras for the City. He said people can't really expect a right to privacy when driving or walking the streets, so he really doesn't see any contradiction to the City getting security cameras, except for maybe the financing, but said they have become so cheap that he thinks they would be a great investment. He said if cameras were in all the entrances and exits in and out of the City, it could make the City a lot safer.

**Tejal Patel**, 4028 Ruskin, spoke to let everyone know that there was a break-in in their home last year and she wanted to say that the professionalism of the policemen that responded to the call was amazing. She said not only did they get there quickly, but they cared. She said the robbers came through their back door, which is where most robbers come through and their yard door was not locked, so she wanted to encourage residents to protect themselves, not only with the use of video cameras but by locking their doors and giving intruders as many barriers as possible.

**Ryan Nunes**, 3700 block of Georgetown, spoke to say that he and his wife moved to West U about 3 years ago and it seems like every day or every week there is an incident and it seems to be getting worse. He said someone needs to look at the budget to see where all the money is

going, because taxes here seem to be outrageous for what the residents are getting in terms of safety and security. He said he doesn't know why cameras are not installed and thinks there needs to be more accountability and more police presence. He said it is becoming outrageous and something has to change.

## **2. Second Public Hearing on Tax Rate**

Matters related to a second public hearing to hear comments on the proposed tax rate.  
*Recommended Action: Hold second and final public hearing on the proposed tax rate.*

Finance Director Daugherty was out ill, so City Manager Peifer presented. A summary of what Mr. Peifer said in his presentation is as follows:

- According to the Tax Code, the tax rate requires two public hearing when a taxing jurisdiction proposes to raise more revenue than the amount collected in the previous year.
- The notice of the 2016 tax year proposed property rate, which included the dates for the two public hearings, was published in the West U Examiner on September 14, 2016.
- The first public hearing was held on October 3, 2016.
- The tax rate is scheduled to be approved at the special City Council meeting on Monday, October 17, 2016.
- Total appraised value received in the certified roll is \$6.2 billion, less exemptions of approximately \$435,000,000.
- Total taxable value of new property is roughly \$71 million.
- The current tax rate is 0.33179 per \$100 valuation; the proposed tax rate is 0.31680 per \$100 valuation; and the effective tax rate is 0.31119 per \$100 valuation.
- The proposed rate will be approximately a 3% increase (\$61.00) and the effective tax rate will be an increase of approximately 1.22 percent, which is approximately \$5.00 increase.
- Alternative tax rates of \$0.31119 and \$0.31400 (midpoint of effective tax rate and proposed tax rate) were discussed at the October 1, 2016 budget workshop.
- The proposed 2016 tax rate for the 2017 budget year is roughly a reduction of \$0.015 as compared to last year's rate.
- The proposed tax rate of \$0.31680 is considered a 1.8% tax increase.
- Adopting the proposed tax rate will raise \$538,445 more revenue than last year's budget, which is a 2.97% increase from the prior year budget.
- Revenue raised from new property added to the tax roll this year is approximately \$227,085.
- The effective tax rate, which is considered a 0% tax increase, is \$0.31119.
- Adopting an effective tax rate will raise roughly \$208,160 more revenue than last year's budget, and is considered an actual 1.15% increase to the prior year budget.
- Revenue from new property added to the tax roll this year for the effective tax rate is \$223,064.
- Proposed general fund budget cuts in the amount of \$330,285 will be required if the effective tax rate is adopted. The proposals for that would be:
  - \$40,000 – Eliminate the increase to legal fees.
  - \$90,285 – Reduction in the equipment replacement fund. If items need to be replaced prior to their estimated useful life, staff would do an appropriation out of the budget.
  - \$200,000 – Removal of the PD surveillance cameras, which is year 1 of a 4-year program to monitor all major intersections.
- A midpoint tax rate of \$0.31400 is considered a 0.090% tax increase.

- Adopting a \$.031400 tax rate will raise \$373,597 more revenue than last year, which is considered a 2.06% increase from the prior year's budget.
- Revenue raised from new property added to the tax roll in this proposal is roughly about \$225,078.
  - Proposed general fund budget cuts that would be required to fund the midpoint, would be about \$164,848 from the proposed budget and that would be an elimination of the \$40,000 of increased legal fees and roughly about \$129,000 reduction to the equipment replacement fund.
- Final tax rate will be set by ordinance on Monday, October 17, 2016 at 6:00 p.m.

Councilmember Ballanfant asked if the three additional policemen requested by the police chief were included in the budget. City Manager Peifer said yes, the proposed budget includes 2 police officers and 1 dispatcher.

To put things into perspective, Mayor Sample pointed out that Houston's proposed rate is \$.586 per one hundred and we are at \$.316 per one hundred, which is about half of Houston's rate. She said the bulk of a resident's tax bill is for H.I.S.D. and Harris County.

**Heidi Dugan**, 2735 Arbuckle, spoke to say her understanding is that the City's tax rate is much lower than the City of Houston's. She said if the City needs cameras and 5 police, she would definitely pay her share.

Councilmember Reilly said at the advice of the City Attorney, Council is not able to speak about the budget items. He said Council will be speaking about those items at the October 17, 2016 meeting and hopes the residents will come back to engage in that discussion. He said the budget is online for people to review to find spending to cut in order to fund priorities.

### **3. Public Hearing on 2017 Budget**

Matters related to a public hearing to hear comments on the 2017 City Budget. *Recommended Action: Hold public hearing on the City's 2017 Budget.*

Finance Director Daugherty was out ill, so City Manager Peifer presented. A summary of what Mr. Peifer said in his presentation is as follows:

- Section 102.006 of the Texas Local Government Code requires the governing body of a municipality to hold a public hearing on the proposed budget. The hearing shall occur no less than 15 days after filing the budget with the City Secretary (September 16, 2016) but before the date the governing body adopts the tax rate (October 17, 2016).
- The City has roughly about \$19 million in tax revenue
- The City has roughly about \$2.3 million in other taxes
- The City has roughly \$500,000 in licenses, permits and fees
- The City has roughly \$11,800 in fines and forfeitures
- The City has roughly \$11 million in charges and services
- The City has roughly \$600,000 in other revenues
- The City has roughly \$2.9 million in transfers
- Roughly 70 percent of tax revenues are spent on human resources (salaries, benefits, etc.)

- Operating expenditures for the general fund, which basically impacts the tax rate, is roughly about \$4.7 million and includes basically everything else, except for capital and transfers
- Debt service will be spent at \$10.1 million for the coming year
- For capital improvement funds, by law the \$75,000 in the transportation/drainage project fund will be spent on general fund items and the water and sewer capital reserve funds will be spent on enterprise for the water utility system.

#### **Budget Highlights - Revenues**

- Rate proposed in the budget = \$0.31680 per \$100 value
  - Maintenance and operations is \$0.18557 (1.29% increase from prior year)
  - Interest and sinking fund is \$0.13123 (11.68% decrease from prior year)
  - A total of \$0.01499 decrease from \$0.33179
- No proposed increases in water and sewer rates pending the results of the 2016 water and sewer rates study to be sure the City is recapturing its costs and preparing for the market, as well as pending a pass-through increase from the City of Houston in early 2017.
- No proposed increases in the solid waste fees.

#### **Budget Highlights - Expenditures**

- Personnel and Compensation
  - West U elected to be the employer of choice some time ago and in the last year it elected to move from 50 percent of market to 75% of market to ensure it can still attract good employees, and this year is a full year of funding for that change.
  - Proposes a 1% COLA and a 2.1 percent pay-for-performance for the staff.
  - TMRS funding rate has increased as result of the state-wide actuarial study.
  - Increase of three positions totaling \$288,100 in compensation and benefits, which includes 2 patrol officers and 1 dispatcher.
  - Communications Manager's position deleted, which was a placeholder from the 2016 budget.
- General Fund
  - Operating expenditure net increase over the 2016 budget is roughly \$118,045, primarily due to the net increase of \$168,000 in other equipment and \$200,000 of this net increase is attributable to a new Police Department camera surveillance program. However, the camera surveillance program is to be removed from the budget if the City is at the effective rate.
  - Increase of \$40,000 for anticipated legal fees. This increase is also targeted to be removed if the City moves off of the proposed budget.
- Alternative Tax Rate and Expenditure Reductions – Effective Tax Rate
  - Need approximately \$330,285 if the tax rate is adopted.
    - \$40,000 eliminates increase to legal fees.
    - \$90,285 transfer to the equipment replacement fund.
    - \$200,000 for the PD camera surveillance at two intersections

Councilmember Reilly confirmed with City Manager Peifer that these are proposed cuts that could be changed at the next meeting.

- Alternative Tax Rate and Expenditure Reductions – Midpoint of Proposed Effective Tax Rate

- Need budget cuts in the amount of roughly \$165,000.
  - \$129,000 reduction in equipment placement fund contributions.
  - \$40,000 eliminates increase to legal fees.
- Water and Sewer Fund
  - Operations are about 58% of the total budget
  - Finance and Utility Building is 3.8%
  - The Debt Service is 16.5%
  - Transfers are 21%
- Solid Waste Fund Expenditures
  - Curbside recycling is about 19%. Even though it has been closed for a few years, the City still has to energize it, add and monitor security cameras.
  - Green waste is about 12%
  - Curbside solid waste is about 65%
  - Transfers to general fund are about 4%
- Tech Management Fund
  - Hardware and software – 34.7%
  - Telecommunications/Data/Radio – 18.7%
  - Consultant – 1%
  - Travel and Training – 28.9%
  - High Tech Replacements – 6.2%
  - Equipment maintenance – 1.3%

Heidi Dugan spoke again to say that she doesn't know how much of the community uses Direct Link versus ADT or some other company, but she feels that Direct Link would work better with the police department if everyone [in the City] had it. She said it would also be a revenue source and the funds could go towards more police. Ms. Dugan said if the City decided to install cameras, staff might want to add funds for signage stating "you are now entering West U and are under surveillance."

Ms. Dugan said the debt for the pool will be retired soon and asked if the City could do something similar to get the cameras. She said her neighbors on Arbuckle have cameras and the City has caught several people recently because of their personal cameras in front of their house, so she thinks cameras are really important.

#### **4. CodeRED Update**

Matters related to the City's emergency notification system – CodeRED. *Recommendation Action: Discuss and take any desired action.*

Fire Chief Taylor presented and said during the active shooter incident that occurred the morning of September 26, 2016 numerous unsuccessful attempts were made by staff to deliver an emergency message via the city's CodeRED notification system. He said an investigation into these occurrences was completed by the City's Information Technology Director, Gary McFarland, and included the conversations with the vendor and established a timeline of the attempts and staff accounts of the problems experienced during the launch.

Chief Taylor said prior to September 26, city staff had already begun the process of evaluating other vendors of mass notification systems in search of better alternatives to the existing CodeRED system and said since the happenings of September 26, it is clear that the CodeRED system is not meeting the mass notification needs of the City. He said because the problems cannot definitively be identified or corrected by the vendor, there is no guarantee that the issues will not occur again in the future. Chief Taylor said in light of the findings, the search for a replacement vendor is being expedited. He said staff has already evaluated two other vendor platforms in the past two weeks and intends to have a replacement vendor selected by the end of October.

IT Director McFarland said he began investigation of the event shortly after the second message when Fire Chief Taylor informed him of some errors. He said he contacted the CodeRED vendor because he thought staff might continue to have problems and specifically asked them to search their system logs and conduct telephone interviews with the people involved. He said after two days of effort and several conversations, the vendor concluded and maintained that there were no issues with their system and ruled the causes as "user error" which they declined to document in writing.

Mr. McFarland said in his discussions with staff everyone involved was unanimous that it was not user error, but rather failures of the system. He noted that the City has had CodeRed since 2007, shortly before Hurricane Ike, and for at least the last four years, there has been a group of people on staff responsible for knowing and understanding the CodeRed system. He said three trained members of the group were the ones attempting to publish the messages and they made five separate failed attempts on five different computer platforms (2 desktops, 1 iPad, 1 iPhone, and a Samsung phone). He then reviewed the timeline of the attempted messages.

City Manager Peifer summarized that the City investigated and found that the current vendor is not meeting the City's need, so staff is expediting review and they don't anticipate a major impact on the budget because a lot of the newer technologies cost equal or less than our current technology.

In response to Mayor Sample's question as to the cost of CodeRed, Mr. McFarland said \$14,500 annually.

Chief Taylor said of the three vendors evaluated recently, all three have been about half the cost of CodeRed.

In response to Councilmember Reilly's question as to whether the system has ever failed in the past, Chief Taylor said the City has had CodeRed since 2007 and there haven't been any problems before this year of which he is aware, but back in April during the tax day floods, the City had similar problems to what it had with the active shooter incident.

Councilmember Reilly asked whether staff has considered multiple subscriptions in order to have a back-up in the event of a system failure. Chief Taylor said the City has other options, such as reverse 9-1-1, but it's not timely and would not have met anyone's information needs for the active shooter event. Chief Taylor said if the City has a good product with a robust infrastructure, there's redundancy built-in and so the City wouldn't need more than one service.

Mayor Sample asked if any of the vendors being reviewed by staff offer text message options. Chief Taylor said all three vendors they are reviewing have that option, plus more options that CodeRed doesn't offer.

In response to Councilmember Turner's question as to the timeline once the decision for a vendor has been made, Chief Taylor said 2 to 3 weeks or less. He said one of the key things that staff is looking at is making sure there are enough users in the system for that information to get out where it needs to be. He said it would be a really quick transition if staff has the ability to export the existing database and import it into a new system. He said if that is not possible, staff might have to run dual systems while building a new database.

In response to Councilmember Reilly's question as to who/where the message would have gone had the first message gone through at 6:55 a.m., Police Chief Walker said an attempt was made to go out to the residents in the general area of the incident, mostly in the Chimney area.

Mayor Pro Tem Kelly said he was amazed that had the message gone out at the time it should have gone out how quickly staff was able to react to it. He said when he was mayor the process took time before actually hitting the send button, so he thinks the citizens would have really appreciated it had it gone out timely.

Mayor Pro Tem Kelly said with hurricane season approaching, getting things switched over to a new system should be a very high priority.

**5. Houston-Galveston Area Council (H-GAC) 2017 General Assembly**

Matters related to designating a representative and an alternate to the H-GAC 2017 General Assembly. *Recommended Action: Discuss and designate a representative and an alternate to the 2017 Houston-Galveston Area Council (H-GAC) General Assembly.*

City Manager Peifer presented and said the Houston-Galveston Area Council includes 13 counties and each small city has a representative and an alternate. He said currently, Mayor Sample is the representative and Mayor Pro Tem Kelly is the alternate and it is time to renew the positions, which has to be sent in by October 19.

Mayor Pro Tem Kelly moved to appoint the mayor and the mayor pro tem as the representative and alternate, respectively, on the Houston-Galveston Area Council. Councilmember Reilly seconded the motion. **MOTION PASSED.**

**Ayes:** Sample, Kelly, Ballanfant, Reilly, Turner  
**Noes:** None  
**Absent:** None

**6. Future Agenda Items**

Matters related to future agenda items. *Recommended Action: Discuss and take any desired action.*

There were no items discussed or added.

**7. Consent Agenda**



All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member requests in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

**A. City Council Minutes**

Approve City Council Minutes of the September 26, 2016 Council meeting. *Recommended Action: Approve Minutes.*

Councilmember Turner moved to approve the Consent Agenda as presented. Councilmember Ballanfant seconded the motion. **MOTION PASSED.**

**Ayes:** Sample, Kelly, Ballanfant, Reilly, Turner  
**Noes:** None  
**Absent:** None

**8. Adjourn**

Before adjourning, City Manager Peifer asked Council if it wanted to close the public hearings or keep them open for the next meeting.

Councilmember Reilly moved to keep the public hearings open for both the tax rate and the budget for the next meeting. Councilmember Turner seconded the motion. **MOTION PASSED.**

**Ayes:** Sample, Kelly, Ballanfant, Reilly, Turner  
**Noes:** None  
**Absent:** None

Mayor Pro Tem Kelly moved to adjourn the special meeting at 8:00 p.m. Councilmember Ballanfant seconded the motion. **MOTION PASSED.**

**Ayes:** Sample, Kelly, Ballanfant, Reilly, Turner  
**Noes:** None  
**Absent:** None

Prepared by:

Thelma A. Gilliam City Secretary



Date

10/24/16